

AGENDA
ADVERTISING AND PROMOTION COMMISSION
January 9, 2012 2:00 p.m. Fayetteville Town Center

- I. Call to Order – Maudie Schmitt
- II. Election of Chairman for 2012
- III. Reports
 - A. Approval of Minutes for December monthly meetings
 - B. Financial Report
 - 1. HMR Revenues – Marilyn Heifner
 - 2. Financial Statements - Keith Glass
 - 3. Update from City Attorney re: delinquent tax collection efforts – Kit Williams
 - C. A & P Year in Review - 2011
 - D. Advertising Agency Report – Mike Sells
 - 1. Approval of Media plan for 2012
- IV. Old Business
 - A. Old Post Office
- V. New Business
- VI. Adjourn

**ADVERTISING AND PROMOTION COMMISSION
REGULAR MEETING
December 12, 2011**

Commissioners Present: Lioneld Jordan, Brandon Karn, Bill Lyle, Maudie Schmitt, and Justin Tennant.

Commissioners Absent: Bob Davis and Hannah Mills

Staff Present: Marilyn Heifner, Shelly Walters, Sandra Bennett

CALL TO ORDER

Maudie Schmitt called the regular monthly meeting of the Fayetteville Advertising and Promotion Commission to order on December 12, 2011, at 2:00 p.m.

APPROVAL OF MINUTES

Tennant moved to approve the minutes of the October and November meetings, second by Jordan. Motion carried.

FINANCIAL REPORT

HMR Report - Marilyn reported that the HMR tax was down -4.67% in November. This was due in part to the scheduling of Razorback home games and the way Bikes Blues and BBQ fell in September and October. Year to date collections are up 4.32%.

Financial Statements – Keith Glass reviewed financials for October, 2011. All accounts were within budget. There were no outstanding issues.

Update from City Attorney – Kit Williams reported that \$468.02 was collected in November by the Prosecutor's office. Year to date \$33,757.69 has been collected. Only 6 of the 17 cases are businesses which are still operating. The remainder are closed. Compliance by operating restaurants is at a record level.

CLINTON HOUSE MUSEUM

The Museum had 163 visitors in November. A book signing by Martha Dixon, former fashion designer for First Lady Hillary Clinton was hosted by Trolley Line Books.

CONVENTION VISITOR BUREAU

Shelly Walters reported that October Visitor Center Store sales were up 149.9% for a total of \$7221.30. November sales were up 90.7% for a total of \$4797.54. Visitor count in October was 1145 and November was 816. We mailed out 559 Fayetteville Guides to fulfill inquiries. Bookings remained strong due to motor coach market and new AAO complex. The Cosmopolitan hotel closed November 13 and all but 2 events were relocated in Fayetteville. The UA students organized the Lights of the Ozarks parade on November 19 and had over 30 entries.

TOWN CENTER

Sales for October and November were reviewed. Year to date 84% of the 2011 sales goal has been met. Some meetings have been picked up with the Cosmopolitan closing. ARTini was a huge success with patrons enjoying the martini contest. Most of the artists who participated sold some of their work.

ADVERTISING AGENCY REPORT

Mike Sells did an agency recap. In 2011, the Visitor Guide became the Fayetteville Guide. For advertising, in 2009, because of the sluggish economy, advertising was tightened up and a smaller visitor area became the focus. In 2010, online advertising was added and Facebook presence was given a high priority.

In 2011, the advertising was tightened to concentrate on niche markets including sports, gardens, Clinton House Museum. 9500 clickthroughs came from those niche markets.

The state tourism tax increase is up 3.2% and the Fayetteville HMR increase is running at 4.2%.

Drew Finkbeiner reported on research of where the inquiries were coming from in making a recommendation for 2012. The state co-ops are in consideration. A media flow chart will be presented to the Commission on January 9.

Ad rates have been determined for the Fayetteville Guide for 2012.

OLD BUSINESS

Town Center Budget – Marilyn presented the Town Center budget for 2012. Moved by Karn, second by Tennant to approve the Town Center budget. Motion carried.

NEW BUSINESS

Parking Deck Daily Charge – Marilyn explained that the daily charge for the Town Center parking deck had not been raised since moving into the building in July, 2000. The daily fee is currently \$3.00 per entry. The per entry charge in the City Lot beside the Cosmopolitan/Chancellor hotel is \$4.00 per entry on the first level and \$3.00 per entry for the 3rd (uncovered) level. She requested that the per entry fee be increased to \$4.00 per entry in the Town Center Parking deck.

Moved by Karn, second by Tennant to increase the per entry fee to \$4.00 in the Town Center parking deck. Motion carried.

Old Post Office – Marilyn reported that because of the closing of the Cosmopolitan, we lost meeting space for convention groups already booked into Fayetteville. The Fayetteville Underground (art studios and art galleries) is being displaced because of the loss of their lease in the East Square Plaza building. The America in Bloom judges recommended in their report that we look into establishing a Fayetteville Museum.

The Old Post Office is on the National Register of Historic Places and is 100 years old this year.

The Old Post Office could be used for meeting space on the Main Level. This could be sold by current Town Center staff. The basement could be used for the Fayetteville Underground.

Brandon Karn and Marilyn have visited with Ron Bumpass, owner of the Old Post Office. The building appraised at \$2,130,000. The building total square footage is 13,668 square feet.

Bumpass is willing to enter into a lease/purchase agreement to lease the building for \$5,000 per month for one year and sell the building at the end of that year lease for \$1,000,000 (which could be paid in 4 installments). Marilyn requested permission to pursue the lease option.

The Mayor indicated that he liked the idea of a Museum, supports the artists and historic preservation of the building. Karn said the center of the Square is an asset and the artist studios and galleries space could be used for marketing with Crystal Bridges.

Schmitt said being in the building for a year, we would be able to tell if there were any problems. The only equipment in the kitchen is a 3 compartment sink.

Karn moved to approve a lease/purchase option, second by Jordan. Motion carried.

EXECUTIVE SESSION

The Commission went into Executive Session for the purpose of evaluation of the Executive Director.

The Commission returned from Executive Session and called the meeting to order. Moved by Karn, second by Jordan to give the Executive Director a 5% increase in salary. Motion carried.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Marilyn Heifner
Executive Director

Advertising and Promotion Commission
For month of December 2011

Current Year HMR Collected (2120.0912.4101.00)	\$ 201,958.16
Prior Year Collected (2120.0912.4101.01)	\$ (69.00)
First Security Investment Interest Revenue (2120.0912.4708.00)	\$ 984.44
Total Revenues	<hr/> \$ 202,873.60
Annual Bond Audit Expense (2120.9120.7602.60)	\$ -
Collection Expense (2120.9120.5333.00)	\$ (4,037.78)
Bank of OK Quarterly Fee (2120.9120.5712.00)	
Town Center Bond Payment (2120.9120.5712.00)	\$ (56,133.99)
2010 Property Taxes on Town Center (2120.9120.7602.60)	
Total Expenses	<hr/> \$ (60,171.77)
Total Check to A&P	<hr/> <hr/> \$ 142,701.83

***~ This report represents HMR collections through the end of the month.
These figures may include past due amounts.***

City of Fayetteville, Arkansas
Monthly HMR Tax Collections 2008-2011

	2008 Total HMR Taxes	2009 Total HMR Taxes	2009 Change Over Prior Year	2010 Total HMR Taxes	2010 Change Over Prior Year	2011 Total HMR Taxes	2011 Change Over Prior Year
January	\$174,005	\$166,214	-4.48%	\$166,645	0.00%	\$179,546	7.74%
February	\$158,693	\$167,141	5.32%	\$143,940	-13.88%	\$158,037	9.80%
March	\$172,804	\$180,027	4.18%	\$172,662	-4.09%	\$169,093	-2.06%
April	\$183,672	\$191,542	4.28%	\$187,730	-2.00%	\$187,976	0.00%
May	\$175,064	\$190,320	8.71%	\$185,096	-2.74%	\$188,149	1.65%
June	\$194,447	\$190,237	-2.17%	\$184,371	-3.08%	\$205,700	11.57%
July	\$188,253	\$180,944	-3.88%	\$196,323	0.08%	\$205,438	4.60%
August	\$174,648	\$167,897	-3.87%	\$180,741	7.65%	\$189,839	5.03%
September	\$190,244	\$176,463	-7.24%	\$184,471	4.54%	\$195,427	5.94%
October	\$187,125	\$189,728	1.39%	\$195,169	2.87%	\$214,713	10.01%
November	\$197,814	\$190,887	-3.50%	\$213,494	11.84%	\$203,529	-4.67%
December	\$174,682	\$174,568	0.00%	\$171,511	-0.18%	\$202,027	17.79%
Total	\$ 2,171,451	\$2,165,969	0.00%	\$2,182,155	0.75%	\$2,299,473	5.38%



Keith M. Glass, CPA

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Accountant's Compilation Report

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To Commission Members,

I have compiled the accompanying statements of assets, liabilities, and capital arising from transactions of Fayetteville Advertising and Promotion Commission, The Fayetteville Town Center, The Convention and Visitors Bureau, and The Clinton House Museum as of November 30, 2011 and the related statements of revenue and expenses for the period then ended, and eleven months then ended and the period then ended last year, and eleven months then ended last year, and the related Statement of budget, revenue and expenses for the month then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide assurance about whether the financial statements are in accordance with the modified accrual basis of accounting. The financial statements have been prepared on the modified cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Management (Owners) is(are) responsible for the presentation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements arising from modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's asset, liabilities, equity, revenue, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Fayetteville Advertising and Promotion Commission, The Fayetteville Town Center, The Convention and Visitors Bureau, and The Clinton House Museum.

Keith M. Glass, CPA

Date

Fayetteville A&P Commission
Statement of Assets, Liabilities & Equity - Modified Cash Basis
November 30, 2011

ASSETS

Current Assets		
CVB Cash in Register	\$	100.00
CHM Cash in Register		100.00
Arvest A&P General #4856		135,226.27
1st Security A&P General #8714		461,922.15
1st Sec Fay Town Ctr #8722		157,138.44
1st Sec. Clinton House #8749		36,864.97
1st Sec. Conv Visitor #8730		64,103.83
Arvest Payroll Account #4636		22,291.19
Due From Other Funds		84,825.79
Investments		1,758,734.94
Investment Adj to Market		10,057.07
Total Current Assets		2,731,364.65
Property and Equipment		
Furniture and Fixtures		41,952.36
Equipment		179,689.91
Leasehold Improvements		45,775.99
CVB Building		930,569.02
CVB Land		198,621.00
Building Additions		318,677.24
Accum. Depreciation		(339,396.50)
Total Property and Equipment		1,375,889.02
Other Assets		
Total Other Assets		0.00
Total Assets	\$	4,107,253.67

LIABILITIES AND CAPITAL

Current Liabilities		
Aflac	\$	253.82
Colonial Life & Acc Ins Payabl		(897.52)
Federal Payroll Taxes Payable		9,136.33
FUTA Tax Payable		732.93
State Payroll Taxes Payable		(765.55)
SUTA Payable		(629.25)
Employee Benefits Payable		7,614.53
Due to Other Funds		38,480.37
Due to Town Center		4,142.40
Total Current Liabilities		58,068.06
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		58,068.06

See Accountants' Compilation Report

Fayetteville A&P Commission
Statement of Assets, Liabilities & Equity - Modified Cash Basis
November 30, 2011

Capital		
Beginning Balance Equity	3,879,562.33	
Unrestricted Fund Balance	281,937.74	
Restricted Fund-540 Film Grant	221.53	
Retained Earnings	225.00	
Net Income	(112,760.99)	
<hr/>		
Total Capital		4,049,185.61
Total Liabilities & Capital	\$	4,107,253.67

Fayetteville A&P Commission
Statements of Revenue & Expenses - Modified Cash Basis
For the Month and Eleven Months Ending November 30, 2011

	Current Month		Year to Date	
Revenues				
HMR Tax Revenue	\$ 203,372.82	79.94	\$ 2,083,268.09	76.19
Prior Year HMR Tax Revenue	155.92	0.06	13,029.73	0.48
Rental Income	35,568.82	13.98	361,137.70	13.21
Other Income	1,540.00	0.61	17,979.85	0.66
Artini Income	2,700.00	1.06	2,700.00	0.10
Parking Revenue	3,137.11	1.23	7,503.11	0.27
Parking Lease	0.00	0.00	8,680.86	0.32
Gift Shop Sales	327.94	0.13	3,862.44	0.14
Visitor Store	4,704.79	1.85	56,309.06	2.06
Partnership Income	0.00	0.00	4,400.00	0.16
Admission Revenue	741.00	0.29	7,164.57	0.26
Special Projects	0.00	0.00	9,442.19	0.35
Interest Income Investments	984.44	0.39	12,909.07	0.47
Interest Income Checking	278.02	0.11	4,133.19	0.15
Visitor Guide Ad Income	0.00	0.00	12,075.00	0.44
Hospitality Summit	0.00	0.00	180.00	0.01
LOTO Sponsor Income	900.00	0.35	2,160.00	0.08
Fee Refunds	0.00	0.00	(2,525.00)	(0.09)
Transfer In	0.00	0.00	130,000.00	4.75
Total Revenues	254,410.86	100.00	2,734,409.86	100.00
Cost of Sales				
Clinton House Gift Shop	(19.73)	(0.01)	3,695.05	0.14
Total Cost of Sales	(19.73)	(0.01)	3,695.05	0.14
Gross Profit	254,430.59	100.01	2,730,714.81	99.86
Expenses				
Signage- Tourism	2,870.09	1.13	9,684.13	0.35
Credit Card Discounts	503.74	0.20	5,440.62	0.20
Bank Charges	0.00	0.00	437.73	0.02
Parking Expense	0.00	0.00	665.00	0.02
Advertising & Marketing	34,429.95	13.53	397,854.70	14.55
Brochures	5,094.65	2.00	152,782.82	5.59
Accounting & Legal Fees	1,300.00	0.51	7,170.00	0.26
Audit Expense	0.00	0.00	2,100.00	0.08
Office Expense	5,249.03	2.06	17,896.02	0.65
Visitor Store Exp	7,059.69	2.77	45,303.94	1.66
Insurance-Building	0.00	0.00	9,634.00	0.35
Insurance & Health Benefits	(673.56)	(0.26)	47,836.64	1.75
408 (P) Company Match	976.78	0.38	10,144.16	0.37
Car Allowance	300.00	0.12	3,300.00	0.12
Telephone Expense	579.00	0.23	8,855.06	0.32
Postage and Shipping Expense	3,869.03	1.52	14,513.78	0.53
Tracking Software	0.00	0.00	1,695.00	0.06
Material & Supplies	0.00	0.00	2,019.64	0.07
Rent	0.00	0.00	12,000.00	0.44
Maintenance/Lawn	0.00	0.00	490.97	0.02
Repairs & Maintenance Expense	6,894.67	2.71	133,250.98	4.87
Kamensky Fountain Maintenance	73.74	0.03	5,165.84	0.19
Linens	2,347.88	0.92	23,799.95	0.87
Publications & Dues	810.00	0.32	15,225.00	0.56

See Accountants' Compilation Report

Fayetteville A&P Commission
Statements of Revenue & Expenses - Modified Cash Basis
For the Month and Eleven Months Ending November 30, 2011

	Current Month		Year to Date	
Travel/Training Expense	7,470.59	2.94	33,377.72	1.22
Taxes & Licenses	0.00	0.00	4,362.23	0.16
Collections Expense	4,070.57	1.60	41,925.95	1.53
Payroll Tax Expense	2,711.04	1.07	31,906.55	1.17
Convention Development	6,440.91	2.53	42,377.99	1.55
Research Expense	0.00	0.00	475.00	0.02
Contract Labor	5,263.75	2.07	49,684.74	1.82
Wages Expense	34,966.40	13.74	383,341.45	14.02
Electricity Utility	3,973.99	1.56	58,680.70	2.15
Gas Utility	337.49	0.13	9,869.58	0.36
Water Utility	1,269.54	0.50	9,396.46	0.34
Cable	554.77	0.22	6,961.28	0.25
Recycling	0.00	0.00	1,444.77	0.05
Security	21.85	0.01	4,916.57	0.18
Airport Advertising	1,485.00	0.58	5,655.00	0.21
Minor Equipment	0.00	0.00	18,077.49	0.66
Minor Equipment Capitalized	2,490.90	0.98	153,545.91	5.62
Airport Info Booth	1,200.00	0.47	2,400.00	0.09
Other Expense	594.94	0.23	8,408.58	0.31
All Star Games	0.00	0.00	48,308.00	1.77
Saturday of Champions	0.00	0.00	6,198.50	0.23
DECA	0.00	0.00	1,827.75	0.07
Square Gardens	0.00	0.00	281.65	0.01
Dickson St Special Project	0.00	0.00	900.00	0.03
Town Center Garden Maint	0.00	0.00	69.04	0.00
Joe Martin	0.00	0.00	2,500.00	0.09
Bikes, Blues, & Hot Rods	0.00	0.00	445.00	0.02
LOTO Special Project	618.27	0.24	39,127.40	1.43
Arts Live Theatre	0.00	0.00	1,000.00	0.04
Misc Special Project	14,975.17	5.89	192,699.43	7.05
Bond Payments-Town Center	56,152.47	22.07	619,192.47	22.64
Trustee Expense	0.00	0.00	6,852.61	0.25
Transfer OUT	0.00	0.00	130,000.00	4.75
Total Expenses	216,282.34	85.01	2,843,475.80	103.99
Net Income	\$ 38,148.25	14.99	\$ (112,760.99)	(4.12)

See Accountants' Compilation Report

Fayetteville A&P Commission
Statement of Revenue & Expenses - Modified Cash Basis
For the Eleven Months Ending November 30, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
Revenues				
HMR Tax Revenue	\$ 203,372.82	\$ 213,494.44	\$ 2,083,268.09	\$ 1,991,033.00
Prior Year HMR Tax Revenue	155.92	0.00	13,029.73	18,990.46
Rental Income	35,568.82	34,393.43	361,137.70	361,107.91
Other Income	1,540.00	1,030.00	17,979.85	39,791.20
Artini Income	2,700.00	0.00	2,700.00	0.00
Travel Hero	0.00	202.54	0.00	302.37
Parking Revenue	3,137.11	437.00	7,503.11	6,336.00
Parking Lease	0.00	2,333.30	8,680.86	14,601.47
Gift Shop Sales	327.94	816.39	3,862.44	3,925.05
Visitor Store	4,704.79	2,426.63	56,309.06	22,812.09
Partnership Income	0.00	0.00	4,400.00	4,600.00
Admission Revenue	741.00	474.00	7,164.57	5,677.44
Special Projects	0.00	0.00	9,442.19	8,530.00
Interest Income Investments	984.44	1,556.80	12,909.07	28,556.93
Interest Income Checking	278.02	385.13	4,133.19	2,687.18
Visitor Guide Ad Income	0.00	500.00	12,075.00	10,750.00
Hospitality Summit	0.00	0.00	180.00	2,040.00
LOTO Sponsor Income	900.00	6,860.00	2,160.00	6,860.00
Fee Refunds	0.00	0.00	(2,525.00)	0.00
Transfer In	0.00	0.00	130,000.00	310,000.00
Total Revenues	254,410.86	264,909.66	2,734,409.86	2,838,601.10
Cost of Sales				
Clinton House Gift Shop	(19.73)	0.00	3,695.05	1,990.99
Total Cost of Sales	(19.73)	0.00	3,695.05	1,990.99
Gross Profit	254,430.59	264,909.66	2,730,714.81	2,836,610.11
Expenses				
540 Film Fest Grant Restr	0.00	0.00	0.00	(271.05)
Signage- Tourism	2,870.09	308.63	9,684.13	9,086.75
Credit Card Discounts	503.74	260.05	5,440.62	3,688.87
Bank Charges	0.00	0.00	437.73	18.94
Parking Expense	0.00	100.00	665.00	1,100.00
Advertising & Marketing	34,429.95	120,798.22	397,854.70	377,289.11
Brochures	5,094.65	15,520.92	152,782.82	121,257.82
Accounting & Legal Fees	1,300.00	625.00	7,170.00	6,930.00
Audit Expense	0.00	0.00	2,100.00	2,100.00
Office Expense	5,249.03	2,390.96	17,896.02	14,013.05
Visitor Store Exp	7,059.69	2,597.19	45,303.94	13,077.40
Insurance-Building	0.00	0.00	9,634.00	0.00
Insurance & Health Benefits	(673.56)	5,105.10	47,836.64	53,305.36
408 (P) Company Match	976.78	1,519.57	10,144.16	10,228.42
Car Allowance	300.00	300.00	3,300.00	3,150.00
Telephone Expense	579.00	939.35	8,855.06	11,689.08
Postage and Shipping Expense	3,869.03	708.51	14,513.78	19,614.86
Tracking Software	0.00	0.00	1,695.00	1,695.00
Material & Supplies	0.00	0.00	2,019.64	0.00
Rent	0.00	0.00	12,000.00	12,000.00
Maintenance/Lawn	0.00	30.00	490.97	450.00
Repairs & Maintenance Expense	6,894.67	11,082.35	133,250.98	97,134.12
Kamensky Fountain Maintenance	73.74	150.44	5,165.84	4,573.85
Linens	2,347.88	3,297.98	23,799.95	23,569.00
Publications & Dues	810.00	1,959.90	15,225.00	8,230.85

See Accountants' Compilation Report

Fayetteville A&P Commission
Statement of Revenue & Expenses - Modified Cash Basis
For the Eleven Months Ending November 30, 2011

	Current Month This Year	Current Month Last Year	Year to Date This Year	Year to Date Last Year
Travel/Training Expense	7,470.59	4,055.83	33,377.72	31,244.97
Taxes & Licenses	0.00	0.00	4,362.23	947.24
Collections Expense	4,070.57	4,269.89	41,925.95	40,200.48
Payroll Tax Expense	2,711.04	2,552.36	31,906.55	33,020.08
Convention Development	6,440.91	985.04	42,377.99	22,751.10
Research Expense	0.00	0.00	475.00	0.00
Contract Labor	5,263.75	4,367.50	49,684.74	42,867.80
Commissions	0.00	0.00	0.00	13,414.06
Wages Expense	34,966.40	32,884.00	383,341.45	386,405.83
Electricity Utility	3,973.99	3,864.57	58,680.70	46,238.60
Gas Utility	337.49	251.05	9,869.58	9,343.17
Water Utility	1,269.54	1,229.45	9,396.46	7,536.20
Cable	554.77	439.44	6,961.28	1,927.71
Recycling	0.00	165.28	1,444.77	1,818.08
Security	21.85	21.85	4,916.57	5,194.56
Airport Advertising	1,485.00	1,335.00	5,655.00	5,790.00
Minor Equipment	0.00	2,982.04	18,077.49	30,450.73
Minor Equipment Capitalized	2,490.90	0.00	153,545.91	0.00
Airport Info Booth	1,200.00	0.00	2,400.00	4,800.00
Other Expense	594.94	0.00	8,408.58	0.00
Coaches Clinic	0.00	0.00	0.00	17,250.00
4 State Volleyball	0.00	0.00	0.00	985.00
All Star Games	0.00	0.00	48,308.00	30,000.00
Saturday of Champions	0.00	0.00	6,198.50	2,500.00
7A State Track	0.00	0.00	0.00	1,500.00
DECA	0.00	0.00	1,827.75	1,350.00
Walton Arts Special Project	0.00	0.00	0.00	30,495.18
Solar Splash Specail Project	0.00	0.00	0.00	5,000.00
Square Gardens	0.00	0.00	281.65	0.00
Dickson St Special Project	0.00	0.00	900.00	2,288.00
Town Center Garden Maint	0.00	0.00	69.04	7,758.58
AR Air Museum	0.00	0.00	0.00	5,300.00
Theatre Squad	0.00	0.00	0.00	19,871.86
Joe Martin	0.00	0.00	2,500.00	0.00
Ozark Military Special Proj	0.00	0.00	0.00	509.59
Bikes, Babes, & Bling	0.00	0.00	0.00	18,796.38
Bikes, Blues, & Hot Rods	0.00	0.00	445.00	8,489.17
National School Boards	0.00	0.00	0.00	2,257.26
NCAA Baseball Regional	0.00	0.00	0.00	10,000.00
NCAA Track Indoor	0.00	0.00	0.00	10,500.00
SEC Softball Chamionship	0.00	0.00	0.00	2,000.00
Premier Baseball	0.00	0.00	0.00	25,160.00
LOTO Special Project	618.27	6,578.32	39,127.40	28,545.03
Arts Live Theatre	0.00	0.00	1,000.00	0.00
Misc Special Project	14,975.17	14,772.74	192,699.43	132,194.90
Bond Payments-Town Center	56,152.47	56,304.00	619,192.47	615,798.10
Trustee Expense	0.00	0.00	6,852.61	5,454.59
Transfer OUt	0.00	0.00	130,000.00	310,000.00
Total Expenses	216,282.34	304,752.53	2,843,475.80	2,771,885.68
Net Income	\$ 38,148.25	\$ (39,842.87)	\$ (112,760.99)	\$ 64,724.43

Clinton House Museum
 Stmt of Budget, Revenue and Expenses - Modified Cash Basis
 Month Ending November 30, 2011

	2011 Annual Budget	2011 Year To Date Accumulated Budget	2011 Year To Date Actual	2011 Year Balance	November Monthly Budget	November Monthly Actual	2010 Year To Date Actual
Revenue							
Transfer from A&P	72,071.00	72,071.00	30,235.00	41,836.00			60,000.00
Admission	6,000.00	5,500.00	7,272.89	(1,272.89)	500.00	741.00	5,677.44
Special Events		-	-	-			
Gift Shop Sales	5,000.00	4,576.00	4,040.12	959.88	416.00	327.94	3,925.05
Interest	144.00	132.00	156.35	(12.35)	12.00	15.30	175.01
Other Income		-	960.00	(960.00)			
Total	83,215.00	82,279.00	42,664.36		928.00	1,084.24	69,777.50
Expenses							
Salary+Benefits	35,865.00	31,075.00	31,327.49	4,537.51	2,825.00	3,115.00	28,577.77
Payroll Tax Exp	2,870.00	2,486.00	2,428.54	441.46	226.00	196.98	2,429.15
Insurance-Health	4,025.00	3,685.00	4,350.22	(325.22)	335.00	28.26	3,637.31
401K Match	975.00	858.00	848.73	126.27	78.00	77.26	750.00
Rent	24,000.00	12,000.00	12,000.00	12,000.00			12,000.00
Utilities-\$3690		-	-	-			
Water	1,000.00	960.00	1,298.71	(298.71)	80.00	93.61	949.24
Gas	1,345.00	1,145.00	1,083.00	262.00	124.00	78.91	941.61
Electricity	1,060.00	972.00	951.36	108.64	81.00	45.85	948.61
Telephone Actual	1,250.00	1,150.00	1,388.75	(138.75)	100.00	141.95	1,043.17
Materials & Supplies	1,100.00	1,000.00	2,253.24	(1,153.24)	100.00		
Credit Card Discounts	750.00	685.00	665.81	84.19	65.00	54.65	477.39
Bank Charges		-	-	-			
Security	275.00	242.00	218.50	56.50	22.00	21.85	240.35
Maintenance/Lawn	500.00	500.00	275.00	225.00			450.00
Repair/Maintenance	1,000.00	800.00	13,271.93	(12,271.93)			865.21
Sales Tax	500.00	450.00	795.39	(295.39)	45.00		
Special Projects	1,000.00	900.00	1,162.42	(162.42)	100.00	494.90	1,785.95
Publications/Dues	200.00	50.00	-	200.00			25.00
Travel/Training	500.00	500.00	562.30	(62.30)			387.99
Gift Shop Items	5,000.00	4,500.00	3,748.05	1,251.95		(19.73)	1,990.99
Total	83,215.00	63,958.00	78,629.44		4,181.00	4,329.49	57,499.74

Convention Center Bureau
Stmnt of Budget, Revenue and Expenses - Modified Cash Basis
Month Ending November 30, 2011

	2011 Annual Budget	2011 Year To Date Accumulated Budget	2011 Year To Date Actual	2011 Year Balance	November Monthly Budget	November Monthly Actual	2010 Year To Date Actual
Revenue							
Transfer from A&P	313,431.24	313,431.00	100,000.00	213,431.24			250,000.00
Interest	600.00	550.00	344.25	255.75	50.00	31.02	599.39
Partnership Dues	6,000.00	6,000.00	4,400.00	1,600.00			4,600.00
Travel Hero	3,000.00	3,000.00	-	3,000.00	500.00		
Vist. Ctr. Store	30,000.00	26,000.00	56,309.06	(26,309.06)	3,000.00	4,704.79	22,812.09
Special Projects		-	10,193.85	(10,193.85)			
First Thursday	5,000.00	5,000.00	4,898.19	101.81	400.00		
Dickson St	1,500.00	1,500.00	-	1,500.00			
Film Festival		-	-	-			
Premeir Baseball		-	-	-			
Other Income		-	4,906.39	(4,906.39)		1,540.00	22,110.37
Total	359,531.24	355,481.00	181,051.74		3,950.00	6,275.81	300,121.85
Expenses							
Salary+Benefits	183,608.00	159,500.00	157,865.18	25,742.82	14,500.00	14,740.50	177,921.66
Payroll Tax Exp	14,688.00	13,464.00	13,295.95	1,392.05	1,224.00	1,124.98	14,888.59
Insurance-Health	25,362.00	23,004.00	20,082.54	5,279.46	2,352.00	52.78	20,577.56
401K Match	5,508.24	5,049.00	4,272.93	1,235.31	459.00	410.28	4,563.19
Telephone	5,000.00	4,584.00	4,792.80	207.20	416.00	369.54	4,116.22
Electricity	4,620.00	4,228.00	4,556.95	63.05	368.00	261.77	3,561.39
Water	650.00	600.00	619.51	30.49	50.00	124.50	551.03
Conv & Tourism Develop	40,000.00	37,500.00	23,149.45	16,850.55		424.56	21,773.73
Travel & Training	32,385.00	32,285.00	30,911.99	1,473.01	100.00	6,797.16	25,505.76
Publications/Dues	3,810.00	3,810.00	3,510.00	300.00		660.00	5,872.00
Repair/Maintenance	2,000.00	2,000.00	6,360.81	(4,360.81)		361.56	1,490.74
Office Supp/Printing	12,000.00	11,000.00	8,374.23	3,625.77	1,000.00	3,942.94	6,240.74
Tracking Software/Maint	2,000.00	2,000.00	1,695.00	305.00			1,695.00
Credit Card Discounts	1,000.00	900.00	2,119.15	(1,119.15)		227.61	878.58
Taxes & Licenses(ASCAF	300.00	300.00	405.34	(105.34)			202.68
Visitor Ctr Store Itms	20,000.00	19,000.00	45,249.94	(25,249.94)	500.00	7,059.69	13,077.40
Education Reimbursement		100.00	-	-			
Bank Charges		-	182.85	(182.85)			
Parking Expense	1,200.00	1,000.00	600.00	600.00	100.00		1,100.00
Advertising & Marketing		-	721.57	(721.57)		141.87	7,735.81
Special Project		-	13,418.50	(13,418.50)		948.91	4,269.63
First Thursday	3,900.00	3,900.00	568.14	3,331.86	300.00		
Dickson St	1,500.00	1,500.00	-	1,500.00			
Minor Equipment		-	7,996.43	(7,996.43)			
Premier Baseball		-	-	-			
Sales Tax		-	-	-			25,160.00
Depreciation Expense		-	-	-			
Research Exp		-	475.00	-			
Total	359,531.24	325,724.00	351,224.26	-	21,369.00	37,648.65	341,181.71

(41,059.86)

See Accountant's Compilation Letter

Fayetteville Town Center
Stmnt of Budget, Revenue and Expenses - Modified Cash Basis
Month Ending November 30, 2011

	2011 Annual Budget	2011 Year To Date Accumulated Budget	2011 Year To Date Actual	2011 Year Balance	November Monthly Budget	November Monthly Actual	2010 Year To Date Actual
Revenue							
Rental Incl Service			-	-			
Actual 11	394,880.00	365,768.00	329,107.81	65,772.19	35,382.00	32,818.82	331,184.84
Interest - Checking	480.00	440.00	589.79	(109.79)	40.00	58.49	445.67
Parking Revenue		-	8,449.34	(8,449.34)		2,887.11	20,937.47
Daily	7,000.00	6,689.00	1,601.00	5,399.00	405.00		
Leases	10,000.00	9,800.00	6,420.12	3,579.88			
Sales Tax Exp	(3,500.00)	(2,967.00)	(377.50)	(3,122.50)	(333.00)		
Special Projects	10,000.00	10,000.00	-	10,000.00			
Misc Revenue		-	3,975.00	(3,975.00)		2,700.00	12,653.25
Transfer		-	-	-			
Total	418,860.00	389,730.00	349,765.56		35,494.00	38,464.42	365,221.23
Expenses							
Salary+Benefits	156,379.00	137,126.00	123,181.79	33,197.21	12,466.00	11,332.99	109,127.34
Commissions		-	-	-			13,414.06
Contract Labor	1,500.00	1,375.00	16,948.49	(15,448.49)	125.00	1,625.00	12,617.80
Payroll Taxes	12,510.00	11,190.00	10,225.76	2,284.24	1,000.00	861.97	10,146.89
Credit Card Discounts	3,000.00	2,750.00	2,655.66	344.34	250.00	221.48	2,332.90
Insurance	19,827.60	18,098.00	18,132.99	1,694.61	1,722.00	80.36	24,819.54
401K Match	4,691.37	4,283.00	2,828.13	1,863.24	407.00	289.24	2,707.83
Utilities		-	-	-			
Water	6,225.00	5,625.00	7,478.24	(1,253.24)	700.00	1,051.43	6,035.93
Phone	720.00	660.00	2,673.51	(1,953.51)	60.00	67.51	6,529.69
Electricity	64,741.00	59,541.00	53,837.03	10,903.97	6,350.00	3,666.37	50,748.66
Gas	11,969.00	10,484.00	8,808.43	3,160.57	1,162.00	258.58	8,401.56
Cable	5,400.00	4,950.00	5,974.47	(574.47)	450.00	554.77	1,927.71
Recycle Dumpster	1,980.00	1,815.00	1,445.07	534.93	165.00		1,156.96
Postage	500.00	500.00	609.99	(109.99)			578.24
Minor Equipment		-	22,708.17	(22,708.17)			1,569.87
Office Expense	6,000.00	5,500.00	6,378.83	(378.83)	490.00	1,020.00	4,747.61
Linens	25,000.00	22,913.00	23,799.95	1,200.05	2,083.00	2,347.88	23,569.00
Outside Laundry							
Repairs & Maintenance	60,750.00	54,500.00	71,095.84	(10,345.84)	7,500.00	6,606.85	75,222.25
Advertising & Promo	3,000.00	3,000.00	27,844.20	(24,844.20)		15.33	6,227.75
Travel/Training	3,000.00	3,000.00	-	3,000.00			2,500.00
Building Insurance	9,000.00	9,000.00	9,634.00	(634.00)			
Taxes & Licenses	4,000.00	4,000.00	3,395.00	605.00			735.00
Special Projects	10,000.00	10,000.00	33,062.68	(23,062.68)		3,107.08	40,216.88
Misc	3,667.03	3,667.03	75.00	3,592.03			
Bank Charges		-	-	-			
Security	5,000.00	4,500.00	4,676.22	323.78	500.00		4,954.21
Depreciation Eps		-	133,880.62				
		-	-	-			
Total	418,860.00	378,477.03	591,350.07	(38,609.45)	35,430.00	33,106.84	410,287.68

See Accountant's Compilation Letter

Fayetteville A P
 Stmt of Budget, Revenue and Expenses - Modified Cash Basis
 Month Ended November 30, 2011

	2011 Annual Budget	2011 Year To Date Accumulated Budget	2011 Year To Date Actual	2011 Year Balance	November Monthly Budget	November Monthly Actual	2010 Year To Date Actual
Revenue							
HMR Tax Revenue	2,171,850.00	1,996,680.00	2,083,267.99	88,582.01	191,367.00	203,372.82	1,991,033.00
Prior Year HMR Tax Rev		-	13,029.73	(13,029.73)		155.92	18,990.46
Interest	35,000.00	32,084.00	13,050.34	21,949.66	2,916.00	984.44	28,556.93
Visitor Guide ads	15,000.00	15,000.00	12,075.00	2,925.00			10,750.00
Misc Income	17,000.00	17,000.00	7,583.51	9,416.49		900.00	29,658.57
Health Reimbursemen	4,893.41	4,480.59	-	4,893.41	411.00		
Rental Income		-	29,056.00	(29,056.00)		2,750.00	29,923.00
Interest Inc Checking	1,500.00	1,375.00	2,901.53	(1,401.53)	125.00	173.21	1,467.11
Total	2,245,243.41	2,066,619.59	2,160,964.10		194,819.00	208,336.39	2,110,379.07
Expenses							
Unrealized Gain/Loss							
Town Center Fund	675,548.64	618,968.00	619,192.47	56,356.17	56,580.00	56,152.47	615,798.10
Bond Audit Exp	2,000.00	2,000.00	-	2,000.00			2,100.00
Bond Paying Agent Fe	6,000.00	6,000.00	6,852.61	(852.61)			5,454.59
Workman's Comp Ins	2,600.00	2,600.00	-	2,600.00			
Collection Exp	43,437.00	39,929.00	41,927.95	1,509.05	3,827.00	4,072.57	40,200.48
Transfer to CVB	313,431.24	313,431.24	100,000.00	213,431.24			250,000.00
Transfer to Clinton Ho	72,071.00	72,071.00	30,000.00	42,071.00			60,000.00
Peace Fountain Maint	10,000.00	9,163.00	1,205.64	8,794.36	833.00		
Contract Labor		-	30,250.00	(30,250.00)		2,750.00	30,250.00
Salaries	81,653.00	74,844.00	73,333.24	8,319.76	6,804.00	6,666.66	70,778.93
Payroll Tax Exp	7,348.77	6,732.00	5,956.30	1,392.47	612.00	527.11	5,555.45
Insurance-Health	10,953.51	9,942.00	5,271.39	5,682.12	1,011.00	(834.96)	4,270.75
401K Match	2,449.59	2,238.00	2,194.37	255.22	211.00	200.00	2,207.40
Car Allowance	3,600.00	3,300.00	3,300.00	300.00	300.00	300.00	3,150.00
Advertising & Marketin	400,000.00	350,000.00	369,398.12	30,601.88	25,000.00	34,272.75	366,780.50
Airport Info Booth	5,200.00	5,200.00	2,400.00	2,800.00		1,200.00	4,800.00
Airport Advertising	6,000.00	4,500.00	5,655.00	345.00		1,485.00	5,790.00
Brochures	150,000.00	149,000.00	152,782.82	(2,782.82)	10,000.00	5,094.65	117,698.50
Website Update	5,000.00	5,000.00	-	5,000.00			
Signage- Tourism	10,000.00	9,700.00	9,352.35	647.65	400.00	2,870.09	9,086.75

See Accountant's Compilation Letter

Fayetteville A P
 Stmtnt of Budget, Revenue and Expenses - Modified Cash Basis
 Month Ended November 30, 2011

	2011 Annual Budget	2011 Year To Date Accumulated	2011 Year To Date Actual	2011 Year Balance	November Monthly Budget	November Monthly Actual	2010 Year To Date Actual
Publication & Dues	2,045.00	2,045.00	11,565.00	(9,520.00)	500.00		2,224.85
Travel/Training	5,000.00	5,000.00	2,103.43	2,896.57		873.43	2,851.22
Recycling		-	-	-			661.12
Office Sup & Printing	1,000.00	1,000.00	2,429.57	(1,429.57)		219.43	1,607.49
Postage	20,000.00	17,500.00	13,607.96	6,392.04	1,500.00	3,590.79	19,023.45
Professional Services	7,500.00	6,875.00	7,170.00	330.00	625.00	1,300.00	6,930.00
Straegic Planning		-	385.35	(385.35)			
Audit Expense	2,000.00	-	2,100.00	(100.00)			
Town Center Garden M	10,000.00	10,000.00	-	10,000.00			
Square Gardens		-	-	-			
Special Projects	239,176.00	239,176.00	253,319.09	(14,143.09)		12,132.39	124,354.70
Air Museum		-	-	-			5,300.00
AR H.S. Coaches Clinic		-	-	-			17,250.00
Arts Live		-	-	-			
Bikes, Babes, & Bling		-	-	-			18,796.38
Bikes, Blues, & Hot Rods		-	-	-			8,489.17
Committee for Mardi Gras		-	-	-			
DECA Marketing Fash. Show		-	-	-			1,350.00
H.S. Allstar Games		-	-	-			30,000.00
NWA Coaches Clinic		-	-	-			
Saturday of Champions		-	-	-			2,500.00
State Soccer Finals		-	-	-			
7A State Track Meet		-	-	-			1,500.00
Baseball & Softball Weekend		-	-	-			
Dickson St Music		-	-	-			2,288.00
Duathlon		-	-	-			
4 State Volleyball Classic		-	-	-			500.00
Iron Pig Festival		-	-	-			
Joe Martin Stage Race		-	-	-			
Natl School Boards		-	-	-			2,257.26
Ozark Valley Triathlon		-	-	-			
Fayetteville Night Jam		-	-	-			
Ozark Military Museum		-	-	-			509.59
Solar Splash		-	-	-			5,000.00

See Accountant's Compilation Letter

Fayetteville A P
 Stmt of Budget, Revenue and Expenses - Modified Cash Basis
 Month Ended November 30, 2011

	2011 Annual Budget	2011 Year To Date Accumulated	2011 Year To Date Actual	2011 Year Balance	November Monthly Budget	November Monthly Actual	2010 Year To Date Actual
TheatreSquared		-	-	-			19,871.86
Tri Sports Kid's & Family Triathlon		-	-	-			
NCAA Baseball Regional		-	-	-			10,000.00
NCAA Track Indoor		-	-	-			10,500.00
SEC Tennis Tournament		-	-	-			
SEC Men's & Women's Indoor		-	-	-			
SEC Softball Championships		-	-	-			2,000.00
Walton Arts Center		-	-	-			30,495.18
Misc Expense		-	817.70	(817.70)			
Repair & Maintenance	75,000.00	46,000.00	47,885.58	27,114.42	4,000.00		23,892.92
Minor Equip	50,000.00	68,750.00	6,589.16	43,410.84	6,250.00	2,490.90	28,880.86
Depreciation Exp	20,000.00	18,315.00	-	20,000.00	1,665.00		
Bank Charges		-	254.88	(254.88)			18.94
Taxes & Licenses		-	-	-			9.56
Convention Development		-	18,843.19			6,016.35	977.37
		-	-				
Unallocated Revenue	6,229.66	6,229.66	-	6,229.66			
Total	2,245,243.41	2,105,508.90	1,826,143.17		120,118.00	141,379.63	1,973,961.37

See Accountant's Compilation Letter



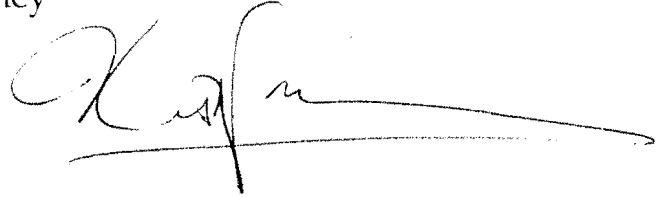
Kit Williams
City Attorney

Jason B. Kelley
Assistant City Attorney

TO: **Mayor Jordan**
A&P Commissioners

CC: **Don Marr**, Chief of Staff
Casey Jones, Prosecuting Attorney

FROM: **Kit Williams**, City Attorney



DATE: **January 5, 2012**

RE: **Overdue HMR collection efforts**

The City Prosecutor's Office collected \$12,322.50 in overdue Hotel, Motel and Restaurant taxes in December of 2011 to bring the 2011 total HMR taxes collected to **\$47,080.19**. This brings the total collected by the City Prosecutor's and City Attorney's Office since 2001 to **\$700,853.38**.

ANNUAL SUMMARIES

Overdue HMR Taxes Collected By City Prosecutor

2001	Enforcement measures changed. City Prosecutor asked to emphasize collection of overdue HMR taxes in August of 2001	
Fall 2001 through December 2002	Slightly over	\$ 100,000.00
2003		\$ 53,000.00
2004		\$ 53,131.97
2005		\$ 67,127.44
2006		\$ 102,541.05
2007		\$ 48,748.73
2008		\$ 106,508.40
2009		\$ 71,341.64
2010		\$ 51,373.96
2011		<u>\$ 47,080.19</u>
TOTAL		\$700,853.38

I would like to commend City Prosecutor Casey Jones, Assistant City Prosecutor Brian Thomas, Office Administrator Mandy Finklea and the rest of the competent and dedicated staff for their excellent work.

CLINTON K. JONES
CITY PROSECUTOR
BRIAN THOMAS
DEPUTY CITY PROSECUTOR



MANDY FINKLEA
OFFICE ADMINISTRATOR
E-mail: hotcheck@ci.fayetteville.ar.us
PHONE: (479) 575-8377
(479) 575-8378
Hot Checks: (479) 575-8254
FAX #: (479) 575-8373

OFFICE OF CITY PROSECUTOR

MEMO

TO: K. Williams
Fayetteville City Attorney

FROM: Casey Jones
Fayetteville City Prosecutor

DATE: January 3, 2012

RE: Status of Active HMR cases

A handwritten signature in black ink, appearing to be "CJ" or "Casey Jones", written over the "FROM:" line.

* When a Criminal Summons is issued for a violation and the Defendant subsequently pays the delinquent balance the Criminal Summons remains active and is then routinely dismissed by the Judge at arraignment if the Defendant is still current and not in violation.

1.	Acambaro Four Business Closed	Jesus Socarro	Delinquent Balance: \$1,468.04 Active Criminal Summons
2.	Antoinette's Special Cakes & Catering	Antoinette R. Harris Jami A. Harris	Active Criminal Summons Active Criminal Summons Delinquent Balance: -0-
3.	Brenda's Drive-In	Collin L. Wilkins	Active Criminal Summons Delinquent Balance: -0-
4.	Butcher Block Business Closed	Gary W. Bell	Active Contempt of Court Delinquent Balance: \$1,871.28
5.	Cable Car Pizza	Ray A. Reynolds	Paid: \$459.00 Delinquent Balance: -0- Case Closed
6.	Café Delta Soul	Mario C. Morris Michael L. Vaughn	Trial date: 2/15/12 Active Criminal Summons Delinquent Balance: \$1,980.00
7.	Dominoes Pizza Business Closed	Lloyd W. Hardison	Arraignment: 1/20/12 Delinquent Balance: \$4,390.66

8.	Drifters	John N. Faubus William E. Gran	Paid: \$287.00 Delinquent Balance: -0- Case Closed
9.	Elixir Lounge	Harmandeep S. Grewal	Paid: \$289.00 Delinquent Balance: -0- Case Closed
10.	Grillanium Falcon	Allison A. Hammontree Chad L. Hammontree	Paid: \$144.00 Delinquent Balance: -0- Case Closed
11.	Habibi Business Closed	Michael S. Gumm	Trial date: 2/15/12 Delinquent Balance: No Forms
12.	Hjem Restaurant	Matthew W. Holland	Paid: \$1,627.00 Delinquent Balance: No Forms
13.	Hogwild Pizzeria Business Closed	David S. Mackey	Letter Delinquent Balance: \$1,330.00
14.	Mama Dean's	Meneria D. Morrison Terry L. Morrison	Arraign: 1/20 & TD: 2/15 Arraign: 1/20 & TD: 2/15 Paid: \$1,184.80 Delinquent Balance: -0-
15.	Mezza Luna	Juan F. Barcenas Francisco C. Soto	Active Criminal Summons x 2 Trial date: 2/8/12 Paid: \$315.78 Delinquent Balance: -0-
16.	Neon Ice	Brandon S. Pooree William S. Pooree	Pending Criminal Summons Pending Criminal Summons Paid: -0- Delinquent Balance: No Forms
17.	Northern Exposure	Kevin M. Laughlin	Arraignement: 1/20/12 Delinquent Balance: No Forms
18.	Pesto Café	Stephen M. Glenn	Paid: \$3,564.20 Delinquent Balance: -0- Case Closed
19.	Pho Quyen	Quyen Ho	Paid: \$1,076.00 Delinquent Balance: -0- Case Closed

20.	Razor's Edge	Barbara A. Burton Alan S. Burton	Arraignment: 1/20/12 Arraignment: 1/20/12 Paid: \$1,128.20 Delinquent Balance: -0-
21.	Rufino's Mexican Food	Raymond A. Montez Raymond R. Montez	Paid: \$1,236.75 Delinquent Balance: -0- Case Closed
22.	Seafood Market Bar/Grill Business Closed	Craig E. Dowd	Paid: -0- Delinquent Balance: \$4,467.00
23.	Shanghai Chinese and China Garden Businesses Closed	Hsiao L. J. Shen	Active Contempt of Court Delinquent Balance: \$3,090.00
24.	Soul Restaurant & Lounge Business Closed	Casey E. Dighero	Paid: -0- Delinquent Balance: \$268.34
25.	Spiedini Italian Grill	Lynette S. Lee Robert L. Lee	Paid: \$1,010.77 Delinquent Balance: -0- Case Closed
26.	Tim's Pizza (North) Business Closed	Michael A. Stephens	Active Criminal Summons Delinquent Balance: -0-
27.	Uncle Gaylord's Business Closed	Hiram F. Brandon	Trial Date: 1/11/12 Delinquent Balance: No Forms
28.	WOW Japanese Bistro Business Closed	Chong N. Kim	FTA Warrant Delinquent Balance: \$2,042.00

TOTAL: \$12,322.50

LEASE WITH OPTION TO PURCHASE AGREEMENT

THIS LEASE WITH OPTION TO PURCHASE AGREEMENT ("Agreement") is entered into between Ronald E. Bumpass, hereinafter called the "Lessor" or "Seller", and the Fayetteville Advertising and Promotion Commission, with its main office address Fayetteville Visitor Center, 21 S. Block, P. O. Box 4157, Fayetteville, AR 72702, hereinafter called "Lessee" or "Buyer".

WITNESSETH:

WHEREAS, the parties to this Agreement hereby acknowledge and agree that Lessor is the fee and simple absolute owner of the real property and any and all improvements situated upon the Premises, as herein defined;

WHEREAS, Lessee acknowledges and agrees that it lacks any ownership or equity interest in any nature in the Premises, as herein defined, but desires to enter into this Agreement for the limited purpose of leasing with the option to purchase the Premises subject to the terms and conditions set forth; and

WHEREAS, Lessor desires to lease the Premises, as herein defined, for the limited purposes herein set forth; and

WHEREAS, Lessor desires to provide the Lessee with an Option to Purchase the Premises according to the terms and conditions herein set forth;

NOW THEREFORE, in consideration of the mutual promises and covenants of the parties contained herein, and other good and valuable consideration, Lessor hereby leases and demises to Lessee with the purchase option as set forth herein, the real property and improvements (the "Premises") located at #1 Center Square, in the City of Fayetteville, Washington County, Arkansas, being more particularly described as follows:

Legal Description:

A tract of land described as beginning at appoint 32.3 feet East and 25.35 feet South of the NW corner of a now existing building; thence the foundation of said building the following bearings and distances; South 21.45 feet, West 3.9 feet, South 7.85 feet, East 3.9 feet, South 21.6 feet, East 17.2 feet, South 7.0 feet, East 6.3 feet, South 25.65 feet, East 38.3 feet, North 4.2 feet, East 10.6 feet, North 18.0 feet, West 4.3 feet, North 10.5 feet, East 17.05 feet, North 6.55 feet, East 3.9 feet, North 7.20 feet, West 3.9 feet, North 24.4 feet, East 3.9 feet, North 7.15 feet, West 3.9 feet, North 3.8 feet, East 2.3 feet, North 2.3 feet, West 7.15 feet, South 3.9 feet, West 2.15 feet, North 1.05 feet, West 55.2 feet, South 1.1 feet, West 15.0 feet, to the point of beginning.

TO HAVE AND TO HOLD the same until Lessee and unto its permitted successors and assigns, together with all privileges and appurtenances thereunto belonging, for the term and under the conditions hereinafter set forth:

1. TERM. The term of the Agreement shall be twelve (12) months beginning the 1st day of February, 2012, and ending the 31st day of January 2013 (the "Term").
2. RENT. As rental for the Premises, Lessee shall pay to the Lessor monthly rental in the amount of \$5,000.00 payable in advance on the first day of each month throughout the Term. Parties may mutually agree by a written Addendum to this Agreement to renew the lease for an additional period of time. The monthly rental amount to such renewal period shall be negotiable, but in no event shall the rental amount be less than the monthly rental charge set forth in this Agreement
3. UTILITIES AND REFUSE REMOVAL. Lessee shall be responsible for the payment of all charges for water, electricity, gas and any other utilities consumed on the Premises, and for all charges connected with the removal of refuse from the Premises. Lessee shall also be responsible for the payment of any charges incurred for services such as telephone and cable television.
4. ALTERATIONS/IMPROVEMENTS: Lessee may make any changes, alterations, additions or major repairs to the Premises, including any existing or future structures with the approval of the Lessor or his agent. Lessor may inspect any such project to ensure that the construction, repairs or renovation meets the requirements of applicable codes.
5. ORDINARY REPAIRS AND MAINTENANCE. Lessee agrees to maintain the Premises and any improvements thereto in good repair, ordinary wear and tear excepted. Lessee shall be responsible for ordinary repairs and maintenance to the Premises. All such repairs and maintenance shall meet all applicable code and any other requirements.

Lessor may inspect the property at any time upon adequate notice and without any interruption of Lessee's use of Premises, including the building and all leasehold improvements.

6. PROPERTY INSURANCE. Lessee shall be responsible for insurance coverage on Premises and on personal property and equipment.
7. LIABILITY INSURANCE. Lessee shall hold Lessor harmless from any and all liability for loss, injury, or damage to persons (including, but not limited to death) or property arising out of or in connection with the Premises, any improvements thereto, or any activities of the Lessee, its officials, employees, invitees, members or guests. Lessee shall maintain a comprehensive general liability insurance policy insuring against such a loss, injury or damage in the minimum amount of One Million Dollars (\$1,000,000) per person or occurrence. Two Million (\$2,000,000) aggregate. Proof of such liability insurance shall be given to the Lessor at the beginning of the Term and again upon request at any time during the term.

8. TAXES, LICENSES, FEES AND ASSESSMENTS. Lessor shall pay applicable ad valorem, if any and assessment on the real property and improvements comprising the Premises. However, Lessee shall pay any sales or use taxes arising from its use of the Premises, and shall indemnify and hold Lessor harmless against any claims for such taxes. Likewise, Lessee will secure and pay for all licenses, permits, and fees pertaining to its use of the Premises.
9. USES. The Premises and all improvements thereto can be used by Lessee for the purpose of operating a meeting venue, artists' studios and galleries, offices, museum and other purposes which further the mission of the Lessee.
10. RIGHT OF ENTRY. Lessor shall have the right to enter the Premises at any time upon notification to Lessee and without interrupting Lessee's use of Premises, for the purpose of inspecting the Premises and determining compliance with laws, statutes, ordinances, regulations and legal requirements, including policies of Lessor or to ensure the preservation of the Premises in good condition in the event of Lessee's failure to perform any obligation of this Agreement.
11. SUBLEASING. Lessee shall not be entitled to sublease the Premises or any portion thereof without the prior written consent of Lessor.
12. DELIVERY AT THE END OF THE LEASE. Upon expiration of the Term of this Agreement or any extension thereof, should Lessee not exercise an option to purchase the Premises as provided for in this Agreement, possession of the Premises, including any improvements thereto, shall be delivered to Lessor free of all persons, goods, and things not properly belonging to Lessor and in the same condition as the Premises existed at the commencement of this Agreement or upon subsequent completion of any new construction, reconstruction, renovation or repair to any improvements to the Premises, excepting destruction or damage by fire, storm or other casualty and/or ordinary deterioration and reasonable wear and tear, and no demand for such delivery shall be necessary.

All furniture, furnishings, and fixtures currently in the Premises shall be included in the lease/purchase of the Premises.

All fixtures not integral to the building, furniture and equipment installed by Lessee or acquired by Lessee independently of this Agreement shall remain Lessee's property and may be removed by Lessee at the expiration of this Agreement; provided, however, Lessee shall restore the Premises and repair any damage thereto caused by such removal.

13. DEFAULT. Lessee shall be in default under the provisions of this Agreement upon the happening of the following events or conditions and, in the case of the events and conditions set forth in subparagraphs (a) and (b) below, the failure to cure same within ten

(10) days after written notification by Lessor to Lessee of such default: (a) Failure to pay the rental fees or charges as provided herein at the time, in the amount, and in the manner set forth, or within ten (10) days after the date the same becomes due; (b) Failure to keep or perform any of the covenants on the part of Lessee herein to be kept or performed.

14. REMEDIES IN THE EVENT OF DEFAULT. In the event of default by Lessee during the Term hereof, the Lessor may, at Lessor's option, declare this Agreement thereupon terminated, and Lessor shall have the right immediately to enter up and take possession of the Premises, and to evict and expel Lessee and any or all of the Lessee's property, belongings, and effects there from, without thereby being guilty of any matter of trespass. In addition to any other remedies or Lessor either at law or in equity. Lessee waives any right to legal process in such an event. No delay in or failure to exercise any of the options herein granted to Lessor by reason of a default shall be a waiver thereof, and the waiver on any occasion of default shall not be deemed a waiver of Lessor's right to exercise its remedies by reason of the same or similar default at any later occasion.

15. NOTICES. All notices required to be given under this Agreement shall be given in writing in a form of delivery requiring a receipt to the parties at the following addresses or at such other addresses as the parties might hereafter designate in writing:

To Lessee Marilyn Heifner
 Fayetteville Advertising & Promotion Commission
 P. O. Box 4157
 Fayetteville, AR 72702-4157

To Lessor Ronald E. Bumpass
 1170 N. Crossover
 Fayetteville, AR 72701

16. PURCHASE OPTION. The parties agree that Lessee has an option to purchase the Premises at any time within the Term of the Agreement or during the first two months following the expiration of the Term. In exercising said purchase option, the following conditions and understandings are applicable:

- The Gross Sale Price for the real property and improvements comprising the Premises shall be \$1,000,000.
- Conveyance shall be made by Lessor (Seller) to Lessee (Buyer) by general warranty deed subject to recorded restrictions and easements, if any.
- Lessee understands and agrees that the \$5,000 monthly rental charged by Lessor is to cover Lessor's cost to maintain property insurance and to pay any applicable ad valorem taxes and assessments. None of the rental payments, repair expenses or other costs incurred by Lessee shall be applied or credited to the Gross Purchase Price.

- As a precondition of sale, Seller agrees to obtain from the Arkansas Department of Historic Preservation a release of preservation easement and Right of Third Refusal at or before closing.

17. SEVERABILITY. In the event that any provision of this Agreement or the application of this Agreement to any circumstances is held to be invalid, the application of such provision to other circumstances shall not be affected thereby, and the remainder of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties set their hands by their duly authorized respective officers.

RONALD E. BUMPASS, LESSOR

BY: _____
Ronald E. Bumpass

Date: _____

ATTEST: _____

FAYETTEVILLE ADVERTISING AND
PROMOTION COMMISSION, LESSEE

BY: _____
Marilyn Heifner,
Executive Director

Date: _____

ATTEST: _____